

# THE MONTHLY REVIEW

*Covering Conditions in the Tenth Federal Reserve District*

## FEDERAL RESERVE BANK OF KANSAS CITY

*For the Information of Member Banks and Business Interests of this District*

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### THE SITUATION AT A GLANCE.

- ¶ *Outstanding features of conditions in the Tenth Federal Reserve District reflected by the May issue of the Monthly Review are:*
- ¶ *Further strengthening of the position of the Federal Reserve Bank and Member Banks, and continued reduction of loans.*
- ¶ *Improvement, though slight in some instances, in practically all basic industries.*
- ¶ *Volume of mercantile trade in excess of sales of 1919, 1918 and 1917, and prices becoming more stabilized.*
- ¶ *Growth of crops and farm operations retarded by prolonged cool weather. Deterioration of wheat resulting from winter freeze, low temperatures and heavy rains, but Government reports show May 1 condition 4.3% above May 1 condition last year.*
- ¶ *Wheat receipts at markets 136% above receipts a year ago, and considerable foreign buying.*
- ¶ *Improved activity in flour milling.*
- ¶ *Supply of cattle and hogs at markets slightly less and sheep 10% more than one year ago.*
- ¶ *Meat packing improved by resumption of foreign buying and broadening of market abroad.*
- ¶ *Large buying of hides indicating improvement in the shoe industry.*
- ¶ *Crude oil production increased in spite of efforts to curtail the output by holding down development operations.*
- ¶ *Slightly increased activity in zinc and lead mining; increased ore prices.*
- ¶ *Curtailed production at Colorado metal mines, causing a slowing down of operation at smelters, but more activity in mines where gold and silver predominate.*
- ¶ *Improvement in coal mining operations checked by lack of market demand.*
- ¶ *Sugar beet acreage contracted 3.4% less than last year.*
- ¶ *Increased activity in building: permits 22% larger but estimated cost of construction 33% below the corresponding month last year.*

THE steady reduction of loans and discounts by the Federal Reserve Bank and by member banks which started a year ago continues, with the result that business in this district is now proceeding on less borrowed capital. The combined statements of eighty-two selected member banks widely scattered over the district show a total of \$528,502,000 of loans and discounts and investments at the close of business on May 4. This total compares with \$546,369,000 as the combined total of these banks at the close of business April 8, 1921. It also compares with \$640,620,000 as the total at the close of business April 2, 1920, which was the high peak of loans and discounts and investments for the member banks reporting. These figures indicate a decrease of \$17,867,000 in the four weeks' period and of \$112,118,000 in the thirteen months since loans started on their downward course.

Demand deposits on which the reserve of these eighty-two member banks is computed has kept fairly good pace with the declines in loans and discounts and investments. The total of demand deposits as of May 4, 1921, was \$374,876,000 which was \$5,995,000 less than the total four weeks previous to that date and \$81,865,000 less than the total of April 2, 1920. Time deposits, however, have gained steadily. The total as of May 4, 1921, was \$104,560,000 a gain of \$3,952,000 in four weeks and \$6,885,000 more than on April 2, 1920.

The statement of the condition of the Federal Reserve Bank of Kansas City as of May 18, which is printed elsewhere in this issue of the Monthly Review, reflects further decreases of loans and discounts and a like decrease of deposits, together with a strengthening of its reserve position. The ratio of total reserves to net deposit and note liabilities combined on that date was 50.8%, which compares with a ratio of 43.6% as of April 15, and 41% as of May 14, 1920.

Further evidence of a materially strengthened financial condition in this district is shown by the readiness of private capital to invest in U. S. Certificates of Indebtedness issued by the Treasury Department. On April 15 an offering was made of an issue, maturing October 15, 1921, bearing interest at the rate of 5½%, with a quota for this district of \$6,000,000, which was oversubscribed to the extent of \$2,500,000.

Again, on May 15, an issue was offered maturing February 16, 1922, and bearing 5½% interest, with a quota of \$8,000,000 fixed for this district. This issue also has been largely oversubscribed, principally by private investors through Member Banks, the subscriptions amounting to over \$10,500,000.

Bank clearings at thirty-one cities in this district for April aggregated \$1,238,127,556, which was 12.8% below the total clearings at the same cities in March and 33.5% less than in April, 1920, for twenty-eight cities reporting for the month in both years. The clearings of all cities reporting from January 1 to May 1 aggregated \$5,240,395,703, or 32.1% less than the total for the first four months in 1920. All cities

#### BANK CLEARINGS 31 CITIES, 1921

	April, 1921	Pct. Decrease
Kansas City, Mo. . . . .	\$ 631,512,458	36.6
Omaha, Neb. . . . .	157,588,958	45.7
Denver, Colo. . . . .	116,904,169	23.6
Oklahoma City, Okla. . . . .	96,781,718	+62.6
Wichita, Kans. . . . .	46,115,365	24.7
St. Joseph, Mo. . . . .	40,304,189	44.2
Tulsa, Okla. . . . .	35,696,748	40.7
Lincoln, Neb. . . . .	16,148,907	38.4
Kansas City, Kans. . . . .	15,607,355	31.1
Muskogee, Okla. . . . .	12,597,451	32.4
Topeka, Kans. . . . .	11,974,713	17.6
Hutchinson, Kans. . . . .	8,142,136	37.0
Cheyenne, Wyo. . . . .	5,824,327	11.15
Grand Island, Neb. . . . .	4,995,504	
Joplin, Mo. . . . .	4,382,000	51.4
Okmulgee, Okla. . . . .	4,225,179	34.9
Pueblo, Colo. . . . .	3,735,995	9.1
Colorado Springs, Colo. . . . .	3,727,173	31.4
Independence, Kans. . . . .	2,835,358	
Hastings, Neb. . . . .	2,798,496	37.4
Fremont, Neb. . . . .	2,306,410	37.2
Atchison, Kans. . . . .	2,225,762	42.3
Pittsburg, Kans. . . . .	2,181,991	15.4
McAlester, Okla. . . . .	1,743,031	47.9
Guthrie, Okla. . . . .	1,506,084	50.6
Lawrence, Kans. . . . .	1,455,170	28.6
Parsons, Kans. . . . .	1,425,192	26.1
Lawton, Okla. . . . .	1,304,093	25.1
Miami, Okla. . . . .	993,541	
Grand Junction, Colo. . . . .	740,944	42.5
Emporia, Kans. . . . .	347,139	63.1

Total, April, 1921 . . . . . \$1,238,127,556 \*93.5  
Total, Year to date . . . . . 5,240,395,703 \*32.1

\*Percentages are computed on totals for twenty-eight cities which reported monthly for this year and last year.

#### DEBITS TO INDIVIDUAL ACCOUNTS IN SIXTEEN CITIES FOUR WEEKS ENDING MAY 11, 1921

Atchison, Kans. . . . .	\$ 4,150,000
Bartlesville, Okla. . . . .	9,084,000
Cheyenne, Wyo. . . . .	7,086,000
Colorado Springs, Colo. . . . .	9,488,000
Denver, Colo. . . . .	132,085,000
Joplin, Mo. . . . .	7,965,000
Kansas City, Kans. . . . .	13,093,000
Kansas City, Mo. . . . .	275,404,000
Muskogee, Okla. . . . .	15,067,000
Oklahoma City, Okla. . . . .	79,700,000
Omaha, Neb. . . . .	163,855,000
Pueblo, Colo. . . . .	17,086,000
St. Joseph, Mo. . . . .	61,617,000
Topeka, Kans. . . . .	15,389,000
Tulsa, Okla. . . . .	82,720,000
Wichita, Kans. . . . .	38,621,000

Total, four weeks, 1921 . . . . . \$ 932,410,000  
Total, four weeks, 1920 . . . . . 1,245,711,000

showed decreases in the clearings except Oklahoma City, whose increase of 62.6% over April of last year is accounted for by the transactions of the branch Federal Reserve Bank in that city, established last fall.

Debits to individual accounts in sixteen reserve cities of the district for four weeks ending May 11, 1921, totaled \$932,410,000, which is 25.1% less than the debits to individual accounts reported for the corresponding four weeks in 1920.

#### BUSINESS MORTALITY

April defaults in the United States, as reported by Dun's were 1,487 in number and \$38,567,769 in liabilities. Compared with the previous month of March the April figures indicate an increase of 151 in number, but a decrease of \$28,841,130 in the liabilities. Following are the numbers of defaults and liabilities for April by Federal Reserve Districts:

District	No. 1921	No. 1920	Liabilities 1921	Liabilities 1920
First . . . . .	145	51	\$ 1,746,699	\$ 982,320
Second . . . . .	229	117	10,471,232	2,865,153
Third . . . . .	104	24	2,227,631	278,334
Fourth . . . . .	118	36	4,366,788	352,946
Fifth . . . . .	154	14	3,334,591	88,450
Sixth . . . . .	136	36	1,997,350	361,833
Seventh . . . . .	178	39	3,949,115	4,551,640
Eighth . . . . .	115	14	2,427,872	200,207
Ninth . . . . .	39	16	593,718	681,330
TENTH . . . . .	50	32	1,966,778	628,450
Eleventh . . . . .	98	16	2,905,847	100,582
Twelfth . . . . .	121	109	2,580,148	2,132,890

April totals . . . . . 1,487 504 \$38,567,769 \$13,225,135  
March totals . . . . . 1,336 566 67,408,909 12,699,326

The Tenth Federal Reserve District is next to the lowest in the list of the twelve districts; Ninth or Minneapolis District standing at the bottom.

#### MERCANTILE TRADE

Wholesale.—Although the wholesale dry goods business at this time seems to be out of joint, reports show sales in March and April this year, while reduced about one-third in each month from the sales of March and April of 1920, exceeded sales for the same months in 1919, 1918 and 1917. This fact is not fully appreciated unless it is realized that prices for textiles are now lower than they were in 1919, 1918 and 1917. In the grocery line the volume of trade is fairly liberal, the tonnage fully up to last year although on account of weather and road conditions April sales were under March sales and about 3.5% under last year's April sales. Wholesale furniture dealers report that recently their trade and collections improved, with a freeness in purchasing by retailers in agricultural towns. Rug prices declined approximately 20% in April and furniture in that month made another decline of about 10%. Dealers are handling fully as much merchandise as last year, with the difference in prices of goods accounting for the shrinkage of sales in dollars and cents. Wholesale hardware sales are reported as still below normal, but there is a better feeling prevailing than for some time. Stocks are being reduced, deliveries prompt in all lines. Wholesale paint business picked up with a jump the early part of April but after the 15th was checked by unfavorable

weather. Store sales continue to show a big improvement and even with selling prices about one-third less than a year ago the volume of sales is exceeding any previous spring business, thus proving that the public believes in painting up. A summary of the wholesale reports showing percentages of decrease in money volume of sales for April compared with sales in April of last year, follows: Athletic goods 30%, dry goods 33%, millinery 10%, jewelry 51.6%, hardware 35%, paints 26.4%, drugs 11%, furniture 24.3%, and groceries 35%.

**Retail Trade.**—Reports from representative stores in cities of the Tenth Federal Reserve District indicate that sales of merchandise at retail, measured by money value, in April and in the first four months of 1921, were behind the sales in the corresponding month and four months period of 1920. Price changes considered, it is evident that retail merchants are now distributing more merchandise than last year. A favorable factor in the situation, as pointed out by retailers, is that prices are becoming stabilized, deflation is about completed and merchants' stocks are lighter. In fact mercantile conditions are regarded as fair. Sales in April were not quite up to the March volume, while heavy rains and bad roads had a depressing effect on the retail trade in the early part of May. However, warmer weather and clear skies in the latter part of the month stimulated buying activity in many localities.

Reports from leading department stores showed an average decrease of 2.8% in sales for April, 1921, as compared with April, 1920, while sales from January 1 to May 1 this year averaged 1.8% less than in the corresponding four months of 1920.

Men's clothing houses reporting show a decrease of 17.7% in sales for April and 14.6% for the year to May 1 as compared with sales in the month and four months period last year. Women's wear sales increased 7.6% in April and there was an increase of 8.8% in sales for the first one-third of 1921 over the sales for the corresponding month and four months period last year. Retail shoe sales increased 8% for April and for the year to May 1 were 15% ahead of last year's sales.

A group of stores, dry goods, furniture, hardware, and general merchandise in smaller cities indicated by their reports that April sales were 20.4% less than in April last year and 7.2% less than in March.

**BUILDING**

Reports from seventeen cities in the Tenth Federal Reserve District reflect continued improvement in building activity. Permits issued in these cities totaled 2,668 for April, an increase of 584 over the number of permits issued in April, 1920. The estimated cost of building for the month under review totaled \$5,656,120, a decrease of 2,886,413 from the total for April last year. The reports indicate that construction of many of the larger buildings now projected is delayed and more attention is given to the erection of homes to relieve housing conditions. Only five cities report a decrease in the number of permits issued and only six cities report a decrease in the estimated cost of buildings to be constructed. The reports follow:

	Permits	Est. Value	Pct. Change
Denver, Colo. . . . .	562	\$ 915,650	51.1
Kansas City, Mo. . . . .	385	757,850	-75.5
Wichita, Kans. . . . .	443	699,699	178.2
Oklahoma City, Okla. . . . .	216	672,298	2.9
Omaha, Neb. . . . .	194	625,865	-58.8
Tulsa, Okla. . . . .	158	607,425	-45.0
Okmulgee, Okla. . . . .	56	431,650	15.2
Kansas City, Kans. . . . .	109	240,080	36.4
Topeka, Kans. . . . .	92	151,182	37.5
Muskogee, Okla. . . . .	41	147,745	71.8
Lincoln, Neb. . . . .	67	137,827	6.9
Colorado Springs, Colo. . . . .	95	75,646	-49.8
Pueblo, Colo. . . . .	100	68,713	61.7
St. Joseph, Mo. . . . .	109	67,090	.3
Joplin, Mo. . . . .	16	22,900	-11.6
Cheyenne, Wyo. . . . .	21	19,500	-86.4
Leavenworth, Kans. . . . .	4	15,000	114.3
April, 1921 . . . . .	2,668	\$5,656,120	-33.8
April, 1920 . . . . .	2,084	8,542,535	

The demand for new construction appears to be insistent everywhere. Lumber and material prices have declined to such an extent as to give more encouragement to building operations. Negotiations looking to the adjustment of new wage scales for the building trades, however, are slow and necessarily much of the larger construction is held back in the cities.

**SUMMARY OF RETAIL STORES REPORTS FOR MONTH OF APRIL IN THE TENTH FEDERAL RESERVE DISTRICT**

	Department Stores	Men's Wear	Women's Wear	Shoes
Percentage increase (or decrease) of net sales during April, 1921, over net sales during same month last year. . . . .	- 2.8%	-17.7%	7.6%	8.2%
Percentage increase (or decrease) of net sales from January 1, 1921, to April 30, 1921, over net sales during same period last year. . . . .	- 1.8	-14.6	8.8	15.9
Percentage increase (or decrease) of stocks at close of April, 1921, over stocks at close of same month last year. . . . .	-21.6	-28.8	1.1	-47.1
Percentage increase (or decrease) of stocks at close of April, 1921, over stocks at close of March, 1921. . . . .	1.7	4.7	10.1	1.0
Percentage of average stocks at close of each month this season (commencing with Jan. 1) to average monthly net sales during the same period. . . . .	346.9	322.8	198.3	238.1
Percentage of outstanding orders (cost) at close of April, 1921, to total purchases (cost) during the calendar year, 1920. . . . .	4.8	2.4	12.0	....
Percentage of collections during month of April, 1921, on amount of outstanding accounts on March 31, 1921. . . . .	49.3	36.2	52.0	73.4
Percentage of collections for same period last year. . . . .	48.2	39.5	52.0	68.8

## AGRICULTURE

**Winter Wheat.**—The condition of winter wheat on May 1 in the Tenth Federal Reserve District was reported by the United States Bureau of Crop Estimates as follows:

	Acres for Harvest	Condition May 1	Est. Yield Bushels
Kansas . . . . .	9,710,000	84%	138,659,000
Nebraska . . . . .	3,235,000	92	56,548,000
Oklahoma . . . . .	2,976,000	84	37,498,000
Colorado . . . . .	950,000	91	17,100,000
Missouri, 19 counties . . . . .	612,720	84	9,741,020
Wyoming . . . . .	61,000	92	1,291,000
New Mexico, 10 counties . . . . .	86,000	87	1,538,000
Tenth Dist., May 1, 1921 . . . . .	17,630,720	85.8	262,375,020
Tenth Dist., Final, 1920 . . . . .	16,957,000	81.5	272,370,000
United States, May 1, 1921 . . . . .	33,721,000	88.1	629,278,000
United States, Final, 1920 . . . . .	37,773,000	79.1	578,000,000

The reports from all states indicate that the growth of winter wheat was checked somewhat by cold weather in April and continued low temperatures and wet soil in the early part of May. In spite of this deterioration the conditions were generally favorable for a good crop, unless the decline in condition in May and up to the harvest is greater than has been estimated. Last year the condition improved greatly in May and June.

The Kansas report says wheat deteriorated during April and that 8% of the wheat sown last fall will not be harvested this year but will be devoted to spring sown crops. The greatest area of abandonment of acreage is in the counties west and southwest from Salina in the heart of the wheat belt. Present conditions arouse no enthusiasm. Throughout the central and north central counties the plant lacks in strength and vigor and the stand has been thinned from continuous spring freezes, and fields that appear green and healthy from the distance leave much to be desired on close inspection. The green bug seems to be the least of the troubles of the Kansas wheat. The Hessian fly is present in parts of the state in early sown fields and red rust is threatening in other sections.

Oklahoma also reports a deterioration of wheat during April, an unusual situation, as only once in the past decade has wheat failed to improve during April. Every district in the state reports condition on May 1 inferior to that of one month previous and a lack of thrift in the growth of the crop is evident in many localities. The orange rust, green bug, Hessian fly and straw worms combined with instances of cold wet soil are held to be accountable for this condition. In a number of the counties in the northwest and southwest parts of the state the ground has become dry and rain is needed. The crop generally is ready to begin heading. The acreage abandoned is much below that of last year.

In Nebraska 2% of the acreage of winter wheat was abandoned, the greatest loss being in the west central part where drought conditions prevail. Except in west central Nebraska the stand of winter wheat is very heavy and the crop farther advanced than usual for this date. Low temperatures this spring injured some of the leaves and stems and a few of the stalks and branches but most of the wheat is still thicker than desirable.

The condition in Missouri is showing considerable improvement. The growth is rank and forward. The green bug has practically disappeared, the chinch bug has been injured by cold damp weather, and there is no complaint of the Hessian fly.

In the mountain states the condition of winter wheat is generally good. In Wyoming the acreage abandoned on account of winter killing and other causes was 8% compared with 6% last year. Moisture conditions are good in that state as well as in Colorado. In New Mexico the condition is fair with some damage from high winds.

**Spring Wheat.**—Indications point to an increase in the acreage of spring wheat in the mountain states, particularly in Colorado and New Mexico. In the first week in May many farmers in New Mexico were still planting for a late crop. There was a total of 608,500 acres of spring wheat harvested in the states of this district last year with a total crop of 12,804,500 bushels. No official report on the acreage or condition of spring wheat has been made at this date.

**Corn.**—Planting is still active in Oklahoma and cultivation progresses in regions not too severely injured by the freeze of last month. Many instances of re-planting are reported. Along the Missouri Valley it has been too cool for planting and most of the area was unplanted at the end of the first week of May. Considerable of the land had to be re-worked. In both Kansas and Nebraska weather interfered but conditions were materially improved by the middle of May.

**Other Grains.**—The oats crop is backward and damage by greenbugs is reported from a number of counties of Oklahoma. In Missouri the crop is recovering from the freezes. Some fields in the north are thin, and considerable reseeding has been done. In Nebraska the crop is improving but warmer weather is needed. The reports are generally favorable for rye, and barley is making favorable progress.

**Potatoes.**—Cool and wet weather has retarded the growth of Irish potatoes. In Colorado and Wyoming seeding was progressing normally at the first week in May. Early potatoes in Kansas and Nebraska were recovering from slight frost damage. Delayed cultivation on account of wet soil caused some damage. Oklahoma estimates 65% of a full crop in the eastern commercial section.

**Fruit.**—The outlook is favorable in Mesa, Delta and Montrose counties of Colorado. Other counties report the fruit crop reduced one-fourth to one-half. In New Mexico the crop of stone fruit will be small. Some varieties of apples have been killed but there will be a full crop of other varieties. A plentiful grape crop is expected although some advanced vineyards were killed. The Missouri report says berries in the southwest were again injured by freeze. There will be some berries, grapes, a few apples and cherries in the north. Fewer apple trees were set out this year than last. In Nebraska late apples may average 50% of a normal crop and early apples will range from a failure to 25% of a full crop. Peaches, plums and pears are practically a failure while cherries range from a failure to 50% of a crop. Grapes range from 60% to 75% of a crop, currants and gooseberries 70%, blackberries, raspberries and strawberries 90% to 100%.

**GRAIN MOVEMENTS**

Receipts of wheat at the market centers are unusually heavy for this season. At Kansas City, Omaha, St. Joseph and Wichita, the four principal markets of this district, the receipts in April totaled 10,931,900 bushels. The increase over the corresponding month last year was 6,307,300 bushels or 136.4%. Some increase in milling activity over last year is noted in the reports from these markets. There has also been some improvement in the export trade via the Gulf. The increased marketing of wheat in April, which is continuing through May, is making a considerable reduction of the stocks of wheat on farms. Kansas farmers, according to correspondents reporting April 16, were holding 25,850,000 bushels or 18.4% of last year's crop, their holdings being 3,900,000 bushels more than at the same time last year. The quantity of wheat in mills and elevators, however, is much less than a year ago. On the other hand the farmers are apparently holding much of their corn until a good crop is assured for this year. The receipts at the four markets in April were 2,212,850 bushels, or 1,204,550 bushels less than the receipts in 1920. Receipts of oats, rye, barley and kaffir in April also registered large declines as compared with the receipts of April of last year.

Average cash prices of grain at Kansas City are here given in cents per bushel on dates mentioned:

	April 15	April 29	May 13
<b>Wheat</b>			
No. 2 Dark Hard Winter	134½	129¾	152
No. 2 Hard	127½	132½	150
No. 2 Red	125	127½	156
<b>Corn</b>			
No. 2 White	50	53¾	58
No. 2 Yellow	53	57	57½
No. 2 Mixed	49	53	56
<b>Oats</b>			
No. 2 White	36	40½	42

**FLOUR PRODUCTION**

Mills at Kansas City, Omaha and at 82 interior points made 1,193,081 barrels of flour in April compared with 998,981 barrels made in April, 1920, according to the Northwestern Miller's report. In the first week of May there was a slowing down of operations to 264,426 barrels, or 31,917 barrels below the record of the corresponding week in 1920. In the second week of May milling activity was resumed with the output exceeding that of the week in 1920. The following shows the number of barrels produced

in April with the percent of increase over April of last year and also the percent of capacity operation:

	Barrels	Pct. Inc.	Pct. Activity
Kansas City	266,200	73.1	59
Omaha	54,995	62.1	57
82 mills	871,886	7.5	45
District	1,193,081	19.4	54

Export demand for flour is holding its own and there is noted a slight improvement in the bakery demand, although jobbers are buying flour sparingly, with prices on a wide range.

Flour receipts at Kansas City in April were 60,450 barrels and shipments 309,075 barrels. In April last year the receipts were 35,000 barrels and shipments 152,750 barrels.

**SUGAR BEET INDUSTRY**

Four states in the Tenth Federal Reserve District—Colorado, Nebraska, Wyoming and Kansas—produced approximately 3,231,000 tons of sugar beets on 310,850 acres harvested last year. Growers received, under contract with sugar corporations, a total of \$38,456,000, an average of \$11.90 per ton, for their beets. From this tonnage 25 factories in the four states made 407,550 tons of sugar, this being 37.4% of the total production of beet sugar in the United States in 1920.

Contracting of acreage of sugar beets by the refineries continued this season almost to the middle of May, and while full reports have not been received to this date it is known that approximately 300,000 acres, or something like 3.4% less than last year's acreage harvested, has been contracted for. A few of the factories are exceeding the contracted acreage of 1920 while others are reporting a slightly reduced acreage. Colorado, which led the United States in sugar beet growing last year, reports a total of 213,000 acres under contract for this year's harvest. Nebraska reports 69,000 acres, Wyoming 14,000 acres and Kansas 4,500 acres under contract.

Refineries report that on the whole this season's contracted acreage is very gratifying in view of the price offered for beets. An unusually large percentage of the contracted acreage has been planted early and the soil and moisture conditions in the principal beet growing sections of these four states are so favorable as to indicate that there will be a very slight falling off between the acreage contracted and the

**RECEIPTS AND SHIPMENTS OF GRAIN (BUSHELS) AT AND FROM FOUR PRINCIPAL MARKETS IN THE TENTH DISTRICT FOR THE MONTH OF APRIL, 1921 AND 1920**

	Kansas City		Omaha		Wichita		St. Joseph		Four Markets	
	1921	1920	1921	1920	1921	1920	1921	1920	1921	1920
<b>RECEIPTS</b>										
Wheat	6,863,400	2,235,600	1,764,000	996,000	1,400,000	1,006,000	904,500	387,000	10,931,900	4,624,600
Corn	638,750	550,000	1,139,600	2,150,400	25,000	45,000	409,500	672,000	2,212,850	3,417,400
Oats	181,900	188,700	312,000	1,196,000	5,000	15,000	36,000	130,000	534,900	1,529,700
Rye	25,300	28,600	44,000	155,100	.....	10,000	.....	.....	69,300	193,700
Barley	61,500	115,500	41,400	48,600	.....	14,000	26,250	.....	129,150	178,100
Kaffir	287,100	448,800	.....	.....	8,000	85,000	10,500	.....	305,600	533,800
<b>SHIPMENTS</b>										
Wheat	6,318,000	2,354,400	2,008,800	1,028,400	750,000	670,000	568,500	186,000	9,645,300	4,418,800
Corn	651,250	331,250	1,759,800	1,983,800	10,000	39,000	492,000	345,000	2,913,050	2,699,050
Oats	394,500	178,500	378,000	1,174,000	5,000	12,000	26,000	78,000	803,500	1,442,500
Rye	14,300	63,800	57,200	268,400	.....	10,000	1,400	.....	72,900	342,200
Barley	97,500	65,000	41,400	30,600	.....	14,000	1,750	.....	140,650	109,600
Kaffir	267,000	217,000	.....	.....	8,000	85,000	.....	.....	275,000	302,000

acreage harvested unless unforeseen climatic conditions intervene.

In the principal beet raising sections of these four states growers had their choice of contracting for the sale of their beets at a flat rate per ton, or a sliding scale. The flat rate generally fixes the price of beets at \$7.00 per ton, while under the sliding scale the net selling price obtained by the factories for the sugar made from the 1921 crop is to determine the per ton payment for beets to the growers. In October, November and December the farmers on the sliding scale contract are to receive monthly payments based on the deliveries and on the anticipated net selling price. Over a considerable portion of the beet growing area the flat rate contract guarantees a minimum payment of \$6.00 per ton. Last year in these states the price paid was quite commonly \$12.00 per ton flat rate.

Prospects of a plentiful supply of field labor are good. The price to be paid the contract beet hand labor has been reduced by the growers from \$30 and \$35 per acre last year to \$21 and \$22 this season, so that the cost of growing beets will undoubtedly be considerably lower this season. This fact, and the growers' preference for a guaranteed price crop insuring them a ready cash market for their products in the fall, are among the reasons for the unexpectedly large beet acreage this season.

The refined sugar market declined 75 cents a bag of 100 pounds in the last week of April, with a considerable portion of the sugar made from the 1920 crop still on hand. In view of this decline, and the anticipated narrow margin from the forthcoming crop, all factories are reported as adopting retrenchment measures common to virtually all lines of business.

**LIVE STOCK**

The first three months of 1921 were exceptionally mild and feed was so plentiful that live stock on the farms and ranges wintered better than usual and were in better shape to withstand the belated cold weather which came at the end of March and held on, with slight variations of temperature through April to the first week in May. A lack of moisture in New Mexico necessitated considerable feeding. Cattle and sheep were reported in poor condition with some losses during the lambing and calving season. In Colorado and Wyoming the conditions were more favorable and there is reported only a minimum loss of lambs and practically no loss in calves. Some losses were sustained where flock masters started shearing their sheep too early. While there have been no epidemics of disease among live stock, there has been some mortality among cattle and horses in certain sections, ascribed principally to anthrax and the stable fly. Cholera made its appearance in a number of sections in Kansas, Oklahoma and Nebraska, but the mortality among hogs has not been so great as in 1912, 1913 and 1916. On the whole all live stock is reported at this date in May in about the average condition for this time of year.

**Live Stock Market Movements.**—Receipts of all classes of live stock at the six principal markets of the Tenth Federal Reserve District in April totaled

1,585,982 head, compared with 1,754,444 head in March of this year and 1,664,483 head in April of last year. The supply of cattle and calves at these markets in April was a fraction over 5% below the total number of cattle and calves received in the corresponding month last year. There was a decrease of 19% in the number of hogs received and an increase of 10.9% in the number of sheep received in April as compared with the corresponding month in 1920. Horses and mules marketed were about 40% less than a year ago. The receipts of all classes of live stock at these markets follow:

	Cattle	Calves	Hogs	Sheep	Horses & Mules
Kansas City . . . . .	126,855	13,843	186,504	152,026	2,247
Omaha . . . . .	103,312	4,114	241,169	209,163	687
St. Joseph . . . . .	33,177	3,587	116,034	99,147	673
Denver . . . . .	19,040	1,710	26,916	110,753	978
Oklahoma City . . . . .	17,423	1,862	45,647	512	23
Wichita . . . . .	27,357	1,018	36,034	3,584	587
April, 1921 . . . . .	327,164	26,134	652,304	575,185	5,195
March, 1921 . . . . .	387,411	39,885	714,332	604,167	8,649
April, 1920 . . . . .	347,760	27,624	732,754	546,343	10,102

Prices in all markets have shown only slight changes in the last thirty days. Live stock of all kinds at present are far below the prices of a year ago when hogs were selling at \$14.00 to \$15.00 per hundred pounds, choice dressed beef steers at around \$13.50 to \$14.00 and lambs as high as \$20.00. The price changes in the last month are here shown by the following quotations on the dates mentioned:

	April 19	May 3	May 17
Hogs, bulk of sales . . . . .	\$7.60@ 8.50	\$7.65@ 8.50	\$8.00@ 8.25
Beef steers, choice . . . . .	8.25@ 9.10	8.40@ 9.25	8.30@ 9.10
Butcher cattle, common to choice . . . . .	5.15@ 8.15	5.50@ 8.15	5.25@ 7.85
Feeder steers, common to choice . . . . .	6.50@ 8.15	7.10@ 8.10	7.00@ 8.10
Stocker cattle, common to choice . . . . .	4.25@ 7.90	4.90@ 7.90	4.75@ 7.75
Lambs, med. to choice . . . . .	9.00@10.35	9.50 10.70	8.75@11.00
Sheep, med. to prime . . . . .	6.50@ 8.65	6.75@ 9.00	7.25@ 9.50

The reports from the various live stock centers, as well as from the producers on farms and ranges, indicate that the industry is steadily adjusting itself, and although producers have suffered financial losses there is a healthier tone to the entire situation.

**MEAT PACKING**

The reports from the various meat packing centers indicate considerable activity in the slaughter of animals. The total number of cattle and calves slaughtered in April was but slightly below that of April, 1920, while the reports also show there was a decided increase in the number of hogs and sheep slaughtered in April as compared with April, 1920. The following table, based on purchases by packers of animals for slaughter, shows the April activity at each packing center with the total for six cities as of April, 1921, and April, 1920, for comparison:

	Cattle	Calves	Hogs	Sheep
Kansas City . . . . .	73,145	11,969	163,234	122,363
Omaha . . . . .	65,924	1,343	182,931	142,752
St. Joseph . . . . .	22,609	3,362	103,834	71,435
Denver . . . . .	8,154	1,178	25,192	14,724
Oklahoma City . . . . .	8,603	1,252	41,257	507
Wichita . . . . .	3,660	771	34,810	442
April, 1921 . . . . .	182,095	19,875	551,258	352,223
March, 1921 . . . . .	207,674	30,298	543,879	378,885
April, 1920 . . . . .	188,792	23,083	523,278	268,201

Packers report improvement in the industry during the month of April, one of the most hopeful signs being a revival of buying for export account. Some European countries which for months past practically had confined their buying to purchases from stocks already abroad ordered meats for shipment from America. Both meat and fats figured in the month's export business and gave rise to a hope that a continually broadening market will be reopened in England and on the Continent.

Although wholesale beef prices declined still further during the early part of April, the trade later showed improvement and the demand was broader—a good sign for American industry as a whole. There is considerable evidence that traders have ceased to be afraid to buy; that there has been, to a degree at least, a restoration of confidence and a conviction that values are stabilizing.

Hides began to move into market channels. Hide quotations ceased to be merely nominal figures. Although the trade in hides almost ceased at the end of the month, its revival bore witness to the improvement in the shoe industry.

**PETROLEUM**

Production of crude oil in Kansas and Oklahoma has shown steady gains each week this season and is now running at about 35,000 barrels more per day than at this time last year. The weekly reports on production, which are accepted as unofficial in advance of the official U. S. Geological Survey reports, give the average daily output in barrels for the two states at each weekly period mentioned:

Week Ending	1921 Daily Av. Bbls.	1920 Daily Av. Bbls.
April 22 . . . . .	374,500	349,500
April 29 . . . . .	378,500	356,500
May 6 . . . . .	392,000	357,000
May 13 . . . . .	399,000	361,000

The production in Kansas and Oklahoma for the full month of April averaged 374,250 barrels per day and was for the 30 day month approximately 11,227,500 barrels, compared with 10,497,750 barrels in April, 1920. Production in Wyoming and Colorado is estimated at 1,700,000 barrels for April compared with 1,624,000 barrels in March and 1,350,000 barrels in April, 1920.

Development operations in April were considerably below the record for the previous month this year and also below the record for April, 1920, due to low prices of crude oil and efforts to curtail production to pipe line and storage capacity. Wells completed in April were 23.4% fewer than in March and 41.2% fewer than in April of last year. However, a summary of development operations shows that the average daily new production per well in April was 110.8 barrels as compared with 93 barrels in March and 67 barrels in April, 1920. The summary:

	Wells Completed	Bbls. Daily New Prod'n.	Rigs and Wells Drilling
Kansas . . . . .	144	7,980	322
Oklahoma . . . . .	400	46,472	1,482
Wyoming . . . . .	44	10,695	622
April, 1921 . . . . .	588	65,147	2,426
March, 1921 . . . . .	768	71,460	2,500
April, 1920 . . . . .	1,001	67,364	3,149

Reductions of 25 cents per barrel on May 2 brought all grades of Kansas and Oklahoma crude oil to \$1.50 per barrel, except Healdton, which was \$1 per barrel. A 25 cent reduction in Wyoming affected the production of six of the principal producing fields.

A radical revision of gasoline and kerosene prices was made in the latter part of April, the cut amounting to 4c per gallon in Kansas, Missouri, and part of Oklahoma.

**LEAD AND ZINC**

Conditions in the lead and zinc industry for the Missouri-Kansas-Oklahoma district in April were slightly improved, as compared with March, though still far below the conditions of one year ago. A summary of the Joplin market report for the month shows shipments of ores and average prices, with comparisons, as follows:

	Tons Shipped		Average Price	
	April, 1921	April, 1920	April, 1921	April, 1920
Zinc blende . . . . .	26,024	55,305	\$23.05	\$46.23
Calamine . . . . .	30	510	12.00	38.44
Lead . . . . .	5,998	10,098	46.20	108.82

Comparing April returns with those of March it is shown that there was an increase for the month under review of 3,886 tons of zinc and 1,522 tons of lead ores. The average prices for April were \$1.13 more for zinc and \$7.23 more for lead than the averages for March. Surplus stocks of zinc blende in the bins of the ore producers are estimated to be 70,000 tons and of lead 900 tons, these figures comparing with 33,000 tons of zinc and 100 tons of lead one year ago.

With the increase of lead ore prices each week additional properties are opening up, especially in mines where the percentage of zinc runs high, and a considerable portion of idle labor is absorbed in this way.

**COLORADO METAL MINES**

Metal mining in Colorado continues in a very quiet state. The curtailment of production, previously mentioned in the monthly reports, is causing a slowing down in the operation of smelters. Conditions in Cripple Creek are improving slightly and there seems to be some tendency to start new work in other districts where gold and silver predominate and the low prices of base metals do not affect returns materially.

**COAL MINING**

April brought some improvement in production of soft coal in the states of this district and also in other districts throughout the United States, as compared with the low productive activity during March. The improvement, however, did not bring mining operations up to the activity of the corresponding period in 1920, and at the end of the month the estimated production in the United States for the calendar year was approximately 129,000,000 net tons, or approximately 42,500,000 tons less than in the first four months of 1920.

The reports seem to indicate that the mines in Missouri, Kansas, Oklahoma, Colorado, Wyoming and New Mexico are sharing proportionately in the huge loss of production. There is a great lack of market demand in spite of the urgent appeals being made by dealers to buy coal for the next winter. Even mines supplying railroad fuel have slackened operations on account of being well stocked.

**Statement of Condition**  
**FEDERAL RESERVE BANK OF KANSAS CITY**  
**Including Branches**  
**At Close of Business, May 18, 1921**

**RESOURCES**

Gold Coin and Certificates.....	\$ 1,948,251.12
Gold Settlement Fund F. R. Board.....	36,522,499.81
Gold with Federal Reserve Agent.....	34,030,760.00
Gold Redemption Fund . . . . .	4,077,114.75
Legal Tender Notes, Silver, Etc.....	3,637,631.05
Bills Discounted:	
Secured by Govt. Obligations.....	24,311,175.75
All other . . . . .	56,970,595.40
Bills Bought in Open Market.....	25,000.00
U. S. Govt. Bonds.....	8,867,850.00
One Year Cert. of Indebtedness (Pittman Act)	10,320,000.00
All Other Cert. of Indebtedness.....	13,500.00
Bank Premises . . . . .	2,445,052.25
5% Redemption Fund Against F. R. Bk. Notes	915,590.00
Uncollected Items . . . . .	42,343,092.30
All Other Resources . . . . .	518,921.20
<b>Total Resources . . . . .</b>	<b>\$226,947,033.63</b>

**LIABILITIES**

Capital Paid In . . . . .	\$ 4,493,150.00
Surplus . . . . .	9,158,814.24
Reserved for Government Franchise Tax..	1,260,817.20
Deposits:	
Government . . . . .	3,053,509.02
Member Banks, Reserve Account.....	68,472,398.27
All Other . . . . .	797,715.01
F. R. Notes in Actual Circulation.....	85,367,645.00
F. R. Bank Notes in Actual Circulation.....	11,808,800.00
Deferred Availability Items . . . . .	40,987,379.87
All Other Liabilities . . . . .	1,537,805.02
<b>Total Liabilities . . . . .</b>	<b>\$226,947,033.63</b>

**OTHER TOTALS**

Total Gold Reserves . . . . .	\$ 76,578,625.68
Total Earning Assets . . . . .	100,508,121.15
Total Deposits . . . . .	72,323,622.30
Ratio of Total Reserves to Deposit and F. R. Notes Liabilities Combined . . . . .	50.8%
Ratio of Gold Reserve to F. R. Notes in Ac- tual Circulation after setting aside 35% against Deposit Liabilities . . . . .	64.3%

**CLEARINGS**

Total Clearings for Week.....	\$166,557,130.72
Total Number of Items Handled.....	1,218,374